RULES AND ORDERS UNDER ACT XX OF 1896.

SIND INCUMBERED ESTATES.

RULES UNDER THE ACT.

Commissioner, Notn. No. 5092, dated 29th September 1897, S. O. G., 1897, Pt. I, p. 448.

Under the authority conveyed in Government Resolution No. 4006, dated 28th May 1897, the Commissioner in Sind is pleased to publish the following Rules under the Sind Incumbered Estates Act XX of 1896 :—

1. All subordinate officers entrusted under this Act with the collection, receipt or custody of moneys or valuable properties shall furnish security to the extent of three years' salary.

2. The notices required to be issued under Sections 12 and 27 shall be in the forms A. and B., appended to these Rules.

3. Every Manager appointed under Section 7 (2) (*c*) of this Act shall make the enquiry prescribed by Section 15, and shall prepare the schedule of debts and liabilities, and the scheme for the settlement thereof required by Section 17 in the following manner.

4. He shall ascertain the principal sum or sums originally or from time to time lent by each of the creditors severally, and this sum or these sums, with 9 per cent. per annum simple interest from the time when the debt was incurred up to the date on which the order provided for in Section 8 of the Act is published, and no further, shall in each case be the amount awarded, but subject to the following conditions :—

I. The amount of interest shall in no case exceed that of the principal.

II. The heir in the second generation of the person who originally incurred the debt to pay the principal only, and no interest.

III. The amount assigned in settlement of bonds held for service rendered by the creditor to be determined by the Manager after hearing evidence of the service in question.

IV. No interest to be allowed on debts whose accounts to the satisfaction of the Manager are not produced.

V. When the first principal is not satisfactorily proved, a deduction of 50 per cent. to be made from the amount of the debt as it stands at the first page at which satisfactory proof of the existence of the debt is given.

VI. When no accounts are produced, the claim shall be disallowed, unless the Manager is satisfied that the debtor has received a sum in cash, in which case that sum shall be treated as the principal of the debt, but no interest shall be allowed.

VII. Interest not to be allowed on account of debts in the absence of any specification that it shall be allowed.

VIII. A claim supported by a decree of a Civil Court shall be subject to the same enquiry as any other claim ; but in cases where it shall appear to the Manager that the suit was contested, and that the amount

awarded either on account of principal or interest by the decree does not exceed by more than 25 per cent. the amount which could have been awarded by the Manager, if no such decree had been passed, the amount so awarded may be allowed, provided Rule 4, Clause I, be not infringed. But if interest subsequent to decree be claimed, it shall be calculated as if no decree had been passed.

5. All payments made by the Jagirdar or Zamindar to any creditor, or profits which have been enjoyed by such creditor towards the liquidation of any debt or liability before the settlement under the Act, shall be deducted from the principal sum of the said debt or liability, and interest on an amount equal to such deducted sum shall be disallowed from time of such payment or enjoyment, and the Manager shall be competent to decide on the amounts of profits realized under such enjoyment, after examining such proofs as are presented to him.

6. Whenever a bond or a decree or other claim has been transferred by sale, gift, or otherwise from the original holder to any other person, the present holder shall be called upon to support his claim by the same proofs as if he were the original holder.

7. All admitted debts shall be satisfied proportionately in the following order :

1*st*—Money lent on the security of the estate.

2*nd*—Decreed and bonded debts.

3*rd*—Account debts.

8. If the principal of all the debts, with simple interest at 9 per cent., shall exceed the amount which may be estimated to be available for the settlement of the creditors' claims as provided for in Section 11 of the Act during the period the estate shall be under management, then no interest shall be allowed on such debts as were not incurred by the present Jagirdar or Zamindar. If the amount be then still in excess of the aforesaid amount, the rate of interest to be awarded on the remaining debts shall be decreased until their amount falls within the requisite limits. For the purposes of calculation under this Rule, (20) twenty years shall be taken as the limit of the period of management.

[a] 8-A. When the Manager awards compensation under sub-section (2) of section 22, he shall award as compensation such principal sum and such interest on the unpaid balance of such sum as may appear to him to be equitable in the circumstances. Such interest shall ordinarily be simple interest at the rate of six per cent. per annum from the date of possession to payment. [a]

9. In deciding what claims are admissible for settlement, and to what amount they shall be admitted, it shall be competent to the Manager to appoint a Committee of experienced Natives—consisting of three persons, of whom one only shall be in the service of Government to assist him, and it shall further be competent to the Manager to reimburse the said Committee for their necessary expenses out of a percentage to be reserved on the rents and profits which the Manager may receive to cover all charges arising directly from the special nature of his duties.

[a—a] This rule was inserted by Commissioner's Notification No. 280, dated 17th July 1906, *S. O. G.*, 1906, Pt. I, p. 159.

10. Provided, however, that, if the creditors of any estate shall of themselves produce a schedule of the original sums lent by them severally, signed by the debtor, and both parties shall consent to the said schedule in presence of the Manager, it shall be competent to the said Manager to accept such schedule without further investigation, and to make it the basis of the settlement.

11. In estimating the amount of cash composition to be paid for admitted claims, the following points should be considered :

(*a*) The income of the debtor, the amount of the debt, and the probability that the creditor would have been able to recover his debt if this Act had not been passed.

(*b*) The nature of his particular debt.

(*c*) The period for which the debt had been outstanding.

(*d*) The interest hitherto enjoyed by the creditor, the rate of interest originally fixed, and the proportion between the amounts due as principal and interest, respectively, at the present time.

12. When the condition of an estate shall be found sufficiently prosperous, it shall be competent to the Commissioner in Sind to make such further awards beyond what is permitted by the previous rules as the circumstances shall seem to warrant.

APPENDIX A.

Notice under Section 12 of XX of 1896.

No. *Station and date.*

WHEREAS the management of the undermentioned estate belonging to (*name and father's name*) has, by order of the Commissioner in Sind, dated , been vested in me as the Manager appointed under Act XX of 1896 :

I hereby give notice and require, under Section 12 of the said Act, that all persons having claims against the said , or against the said property under my management, shall notify the same in writing to me within six months from the date of the publication of this Notice.

Every claimant is hereby required to present full particulars of his claim, and to produce at the same time, or to cause to be produced, every document or book containing any entry regarding his claim, on which he may found such claim or on which he may rely in support thereof.

Description of property, situation and boundaries.

Manager.